

Fraud Hotline Update July 2009 – September 2009 Office of the City Auditor

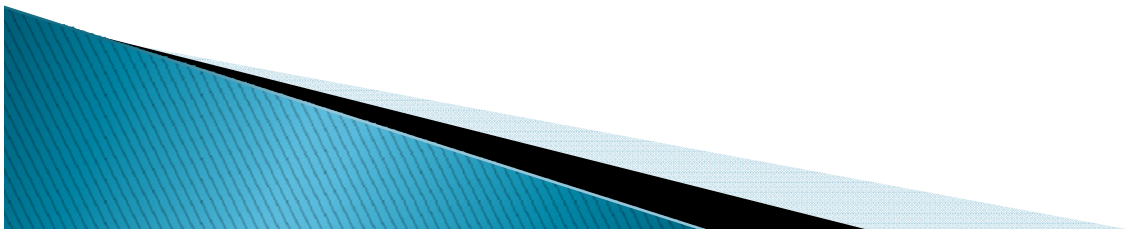
**Audit Committee Meeting
October 19, 2009**

**Hotline Phone Number
(866) 809-3500**

Hotline Activity

July 2009 through September 2009

- ▶ During July 2009 through September 2009, the Hotline received 15 complaints, and these complaints pertained to:
 - Fraud, Waste or Abuse – 27%
 - Policy Issues – 20%
 - Customer Relations – 13%
 - Discrimination – 13%
 - Other Non-Waste, Fraud or Abuse – 27%
- ▶ As shown in the following table, the majority of complaints made to the Hotline continue to be non-fraud, waste, or abuse related.



Hotline Activity By Complaint Type

Category	Qtr 1 FY10 July–Sept	Percent	City Auditor Investigations	Referred to Departments
Policy Issues	3	20.0%	0	3
Fraud	3	20.0%	2	1*
Customer Relations	2	13.3%	0	2
Discrimination	2	13.3%	0	2
Employee Relations	1	6.7%	0	1
Conflicts of Interest	1	6.7%	0	1
Waste and Abuse	1	6.7%	1	0
Retaliation of Whistleblowers	1	6.7%	0	1
Workplace Violence	1	6.7%	0	1
Total	15	100%	3	12

* One “Fraud” complaint was not in the purview of the City of San Diego and was referred to an outside agency as a potential fraud, waste, or abuse call.

Hotline Activity

July 2009 through September 2009

Complaint Status	City Auditor Investigations	Department Investigations	Total	Percent
Complaints Open & Unresolved	9	16	25	67.6%
Investigations	3	9	12	32.4%
Complaint Substantiated and/or Corrective Action Taken	0	2	2	5.4%
Complaint Unsubstantiated	3	3	6	16.2%
Complaint Outside the Purview of the Fraud Hotline	0	4	4	10.8%
Total	12	25	37	100.0%

Hotline Activity

Summary of 12 City Auditor Investigations, July 2009 – Sep. 2009

No.	Call Category	General Description of Allegation	Outcome/Status
1	Fraud	Improper sale of a City asset	Complaint Unsubstantiated
2	Policy Issues	City was overcharged for Pension contributions	Complaint Unsubstantiated
3	Policy Issues	City was overcharged for Pension contributions	Complaint Unsubstantiated
4	Accounting/Audit Irregularities	Accounting irregularities involving receipt and deposit of City funds	Complaint Open/Unresolved
5	Customer Relations	Inadequate coordination of City repairs resulting in waste of resources	Complaint Open/Unresolved
6	Customer Relations	Inadequate coordination of City repairs resulting in waste of resources	Complaint Open/Unresolved

Hotline Activity

City Auditor Investigations, July 2009 – Sep. 2009

No.	Call Category	General Description of Allegation	Outcome/Status
7	Fraud	Allegation regarding the validity of an employee's education, prior work experience & use of City Benefits	Complaint Open/Unresolved
8	Fraud	Embezzlement by a City employee	Complaint Open/Unresolved
9	Fraud	Abuse of public moneys to a group/association	Complaint Open/Unresolved
10	Policy Issues	Employees being pressured to circumvent City policy	Complaint Open/Unresolved
11	Waste and Abuse	Inefficiencies regarding the City's Work Order System	Complaint Open/Unresolved
12	Waste and Abuse	City staff wasting resources on projects unlikely to be funded	Complaint Open/Unresolved

Fraud Hotline Number

(866) 809-3500

Available 24/7/365

